

SECRET/EYES ONLY

23 May 1968

DD/S&T Staff Meeting
Thursday, 23 May '68

Assistant Deputy Director:

25X1A 1. Announced that George Carver had solicited a briefing tomorrow at 1300 at the Naval Intelligence Flight Activity on [redacted]. The offices should submit names of those interested in attending to Carver's secretary directly.

2. Inquired as to interest in the [redacted] resumé. He would be in Carver's office from 1000-1100 tomorrow. The salary may be lower than the resumé suggests. Communication concerning this applicant should be directly with Carver. Both ORD and OSP indicated interest. 25X1A

25X1A 25X1A 3. Reported that the decision on phasing out OX now appears to be final. Redeployment is tentatively scheduled for 8, 10, and 12 June. [redacted] the Director designate of OSA, left with Paul Bacalis this morning to meet the DD in [redacted]. The ADD expressed the disappointment felt by all of discontinuing such an outstanding program and urged that we now concentrate on getting the maximum mileage from OSA's other platforms.

4. Warned that many good programs may go down the drain in this Fiscal Year as victims of the struggle between the Administration and Congress over the size of the budget cut to be offered in sacrifice for a tax bill. There are several exercises now under way on apportioning cuts for the Agency and the Intelligence Community. We now have figures from the Executive Director for an exercise designed to determine how the Agency can face possible reductions with the least harm. This exercise must be executed with care. We must be prepared to absorb the upcoming pay raise. We should start by examining the FY'68 budget, pull out nonrecurring items in comparison with FY'69, and then cut increases back to FY'68 levels on nonrecurring items. It is not now certain that the exercise cuts will correspond to the final cuts. Each Directorate has been given a figure to work toward. In addition, there are several interdirectorate exercises, i.e., R&D, SIGINT, and processing and production. For the first two of these, proposed exercise cuts have been established. S&T will manage the R&D exercise in accord with our Agency role of R&D

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review. For the SIGINT exercise we will participate as requested. The DDI will have the action for processing and production and will consult with S&T as appropriate. The deadline for our response to the Executive Director is COB Tuesday. However, the three exercises which cut across Directorates may take longer. At present the response only involves the Agency. The NRP will be a separate exercise. The ADD will broker our ideas on processing and production with Ed Proctor. Suggested guidelines for the S&T approach to the exercise were distributed.

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[] explained the O/DD/S&T draft projects for FY'69 cuts. These are only suggestions; and the individual offices are, of course, expected to have their own recommendations. In this regard the ADD noted that there was already a meeting underway to address the SIGINT exercise and that a similar meeting would take place tomorrow morning to begin addressing the R&D cuts. These interdirectorate cuts are not in addition to the Directorate cuts but are expected to dovetail with them. The figures which will be given by BOB will not necessarily be the same as those announced for this exercise. However, the Agency is working toward a rational and negotiable position. Nonetheless, we must face the possibility of yet another series of reductions. The odds favor matters getting worse rather than better.

5. In discussing the possibility of personnel cuts, reminded of the likelihood of legislation which could limit the rehiring on a three-for-four basis until the '66 ceiling was again reached.

6. Mentioned interest on the Hill concerning the SR-71 article in that morning's Washington Post. [] has asked for a background paper on the facts as reported and on any previous press stories. Deadline is tomorrow morning.

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7. Read a preliminary Agency announcement on contingency plans should commercial bus transportation become unavailable.

8. Discussed the Director's attitude on the domestic floor space problem. He has asked for a semiannual report showing the reductions effected in the past six months and those projected for the next six.

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9. Briefed on the intention of the Director to send [] some indication of the Agency's appreciation for his past service.

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10. Announced that there would be a BOB meeting next Wednesday to brief [] on [] at which the DCI would be present.

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11. Discussed the GMAIC paper on ABM requirements and recommendations to USIB. In this regard ORD has been asked for definitive project plans for two options and GMAIC for a comparative study of []

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12. Said that the Director has asked all offices to show imagination in placing BALPA returnees.

13. Noted that in recruiting the SEG considers that more formal use should be made of S&T and DDI supervisors. This has been the case on a less formal basis. The number of universities which the Agency will contact will be drastically reduced. Emphasis will be placed on quality.

14. The follow-up papers on the [] have been sent to Ambassador Bohlen. From a strictly intelligence viewpoint this project is difficult to justify.

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15. Emphasized again the Agency policy on personnel involvement in the Poor Peoples March.

16. Enjoined the offices to be sure part-time summer employees were properly supervised and given adequate work.

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[]

Brandwein briefed on the Space Council meeting.

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[]

1. Said that he would be sending up a memorandum of conversation with []

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2. []

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[] reported that the [] communications experiments have gone well.

Parangosky said that Flax intended to sign the SCOPE COTTON decision on OX phase out Saturday morning.

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[] commented on the trade offs between purchase and lease of ADP equipment.

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[] discussed an IRS memorandum examining what intelligence might be lost from a 25 percent ceiling reduction in the []

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The ADD in reply to a question on the preliminary [] Report said that he had talked with Reber and that the Al Flax response to this will be coordinated with the DD.

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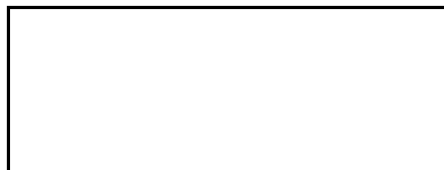
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[] said that the ad hoc Requirements Group will meet next week to do for []

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25X1A [] identify specific requirements. The DD has agreed that this group be made a permanent committee with [] as Chairman. Brandwein agreed that this was a fine idea.

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